



COMMONWEALTH of VIRGINIA
Department of Workforce Development and Advancement

Carrie Roth
Director

6606 W. Broad Street
Richmond, VA 23230

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Contact: Timothy Aylor, Senior Economist
Economic Information & Analytics Division
(804) 786-3976 or (804) 786-7496

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Virginia Hires Grew by 9,000 in September.

—Latest BLS Jobs Openings and Labor Turnover Survey Shows Job Quits Lower at 100,000—

RICHMOND— The Department of Workforce Development and Advancement (DWDA) announced today that the U.S. Bureau of Labor Statistics' September 2023 Job Openings and Labor Turnover Survey (JOLTS) reports an increase in hires in the Commonwealth.

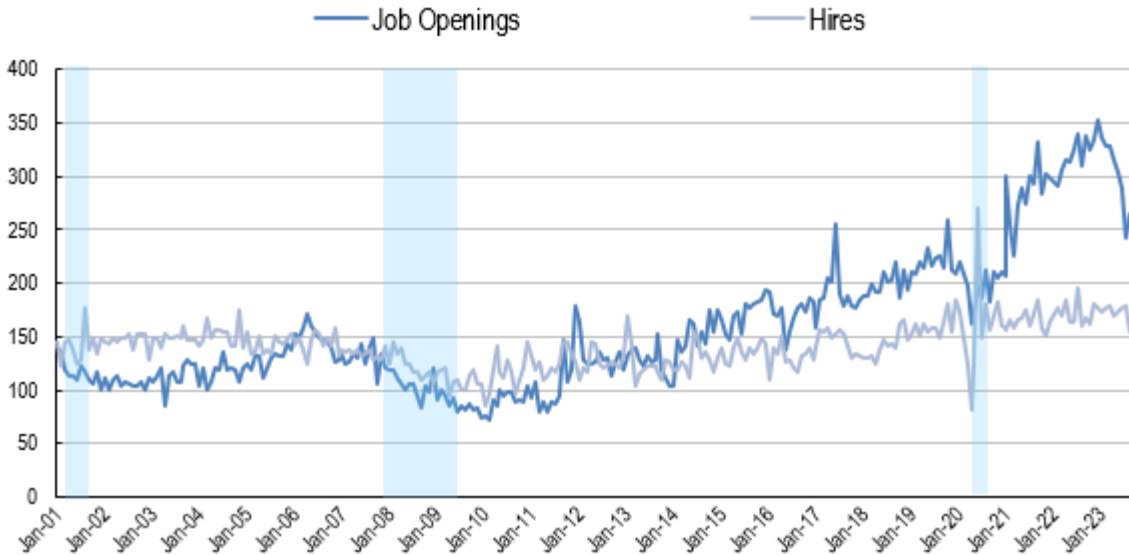
According to the most recent BLS JOLTS survey data, the number of September 2023 job quits in Virginia fell by twelve percent compared to September 2022. Though partially recovering from July's drop, job openings also remained over twenty percent lower than September 2022. BLS JOLTS data provides information on all the pieces that go into the net change in the number of jobs. These components include job openings, hires, layoffs, voluntary quits, and other job separations (which includes retirements and worker deaths). Putting those components together reveals the overall change in payroll employment. JOLTS data is seasonally adjusted and describes conditions on the last business day of the month. Current month's data are preliminary and the prior month's data have been revised.

On the last business day in September, there were 263,000 **job openings** in Virginia, seasonally adjusted, a 1,000 decrease from August 2023's revised 264,000 job openings. Nationwide, the number of job openings changed little at 9.6 million, and the rate was unchanged at 5.7 percent. Over the month, U.S. job openings increased in accommodation and food services (+141,000) and in arts, entertainment, and recreation (+39,000). Job openings decreased in other services (-124,000), federal government (-43,000), and information (-41,000). The largest decreases in the job openings level occurred in Illinois (-44,000), Massachusetts (-22,000), and Utah (-15,000). A significant increase occurred in Tennessee (+74,000).

(more)

Virginia job openings and hires, January 2001 to September 2023 (in thousands)

In September 2023, there were 263,000 job openings in Virginia, seasonally adjusted, a 1,000 decrease from August's 2023's revised 263,000 job openings. With the partial recovery, job openings were over twenty percent higher than five years earlier in September 2018.

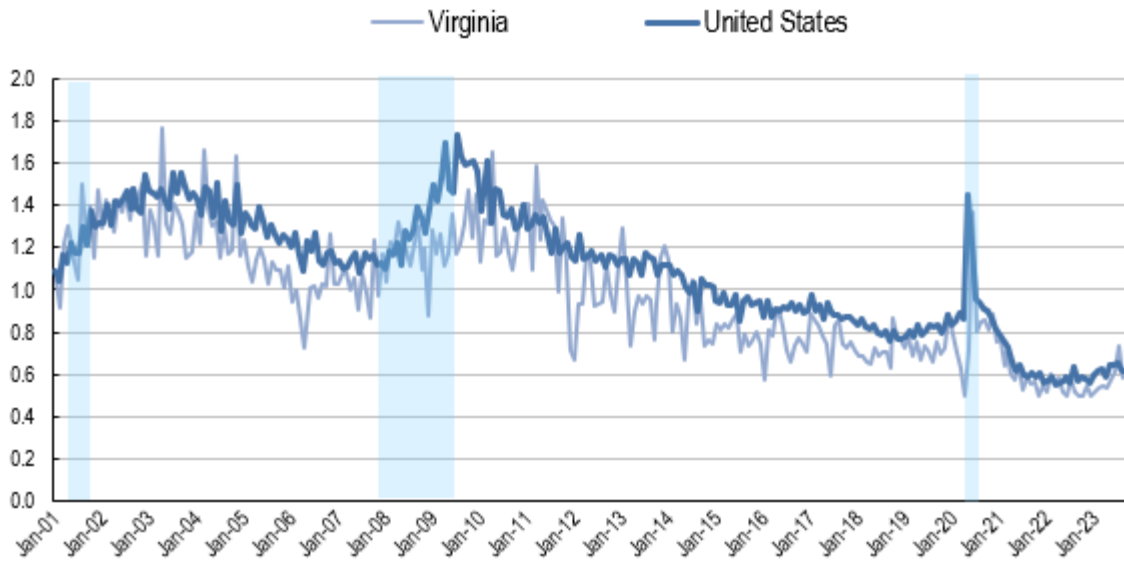


Source: DWDA analysis of Bureau of Labor Statistics (BLS), Job Openings and Labor Turnover Survey (JOLTS) data. Seasonally adjusted. Shaded areas represent economic recessions.

Virginia's **job openings rate** edged down 0.1 of a percentage point to 5.9 percent in September. The rate nationwide was unchanged at 5.7 percent. Significant decreases in job openings rates occurred in Alaska (-1.3 percentage points), Utah (-0.7 point), and Illinois (-0.6 point). A significant increase occurred in Tennessee (+1.9 points). The job openings rate decreased for establishments with 5,000 or more employees. The **number of hires** in Virginia rose to 163,000 in September, an increase of 9,000 over the month and up by seventeen percent from September 2018. JOLTS defines hires as all additions to the payroll during the month. The number of hires was up 82,000 from the series low of 81,000 in April 2020. Nationwide in September, the number of hires changed little at 5.9 million. The number of hires changed little in all industries. The largest increases in the hires level occurred in Pennsylvania (+27,000), Ohio (+26,000), and Colorado (+21,000). A large decrease occurred in Texas (-68,000). In Virginia, the **hires rate** increased to 3.9 percent from August's revised 3.7 percent rate. In September, the U.S. hires rate was 3.7 percent for the third month in a row. Among the major industries, rate changes were mixed over the month. The hires rate in construction decreased 0.8 percentage point from 4.6 percent in August 2023 to 3.8 percent in September 2023. In trade, transportation, and utilities, the hires rate increased 0.3 percentage point over the month to 4.2 percent. The hires rate significantly increased in Colorado (+0.7 percentage point) and decreased in Texas (-0.5 point). In September 2023, the Virginia **'annual fill' rate** (the ratio of 'this month' hires to 'last month' job openings, over the year) remained significantly above the historical, typical level of 1.0 at 1.14. The fill rate is a measure used to evaluate how labor markets differ in the pace that job

The Hires-Per-Job-Opening (HPJO) ratio, January 2001 to September 2023

In Virginia, the HPJO ratio in September 2023 remained at 0.6, equivalent to the U.S. rate. This indicates that there were six hires for every ten job openings in Virginia and nationwide. This indicates little change in the ability of employers to staff in recent months.



Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data. Shaded areas represent economic recessions.

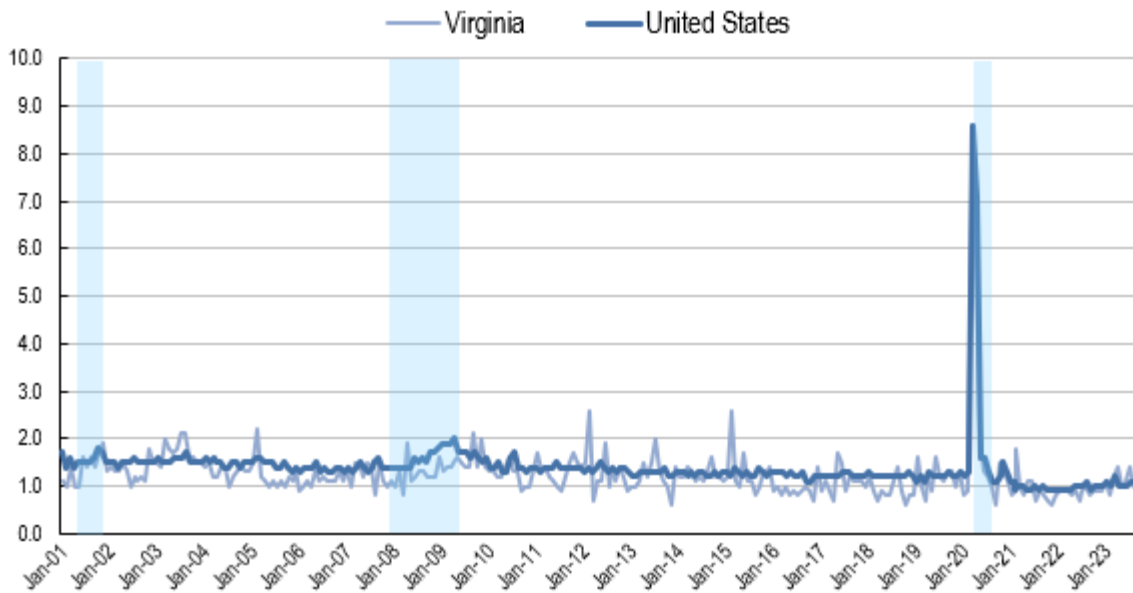
openings are filled. An annual fill rate near or above 1.0 can indicate that employers are growing more efficient at filling job openings. On the other hand, an annual fill rate of less than 1.0 can indicate a tighter labor market, with employers having greater difficulty filling job openings compared to a year earlier. Going back to 2001, the highest annual fill rate occurred during May 2020 because, after the nationwide shutdown due to the COVID-19 pandemic, employers across the country sought to quickly hire for vacated positions. The lowest fill rate in Virginia occurred in June 2021. During that time, there were many factors that hindered the filling of vacant positions by employers, such as health concerns, employee skills, and childcare needs, but the biggest factor was the comparison against the historic re-hiring hike the year before.

The **hires-per-job-openings (HPJO) ratio** rose in September to 62 percent, equivalent to the rate nationwide. This measure shows the rate of hiring compared to open jobs and is a proxy for time to fill positions. This was an increase from August, but typical for the last two years where the rate has hovered between five and six hires for every ten job openings in the Commonwealth.

In September, the number of **total separations** in Virginia decreased by 13,000 to 145,000. This was eight percent lower over the month and reach its lowest level in over a year. The number total separations nationwide in September changed little at 5.5 million. Over the month, the number of total separations significantly decreased in state and local government education (-42,000) and in nondurable goods manufacturing (-37,000) but increased in federal government (+8,000). The largest decreases occurred in

The Rate of Layoffs and Discharges, January 2001 to September 2023

In September 2023, the layoff and discharge rate in Virginia stood at 1.0%. The U.S. and Virginia layoff rates held steady at about the same level in recent months and remained below longterm trends.



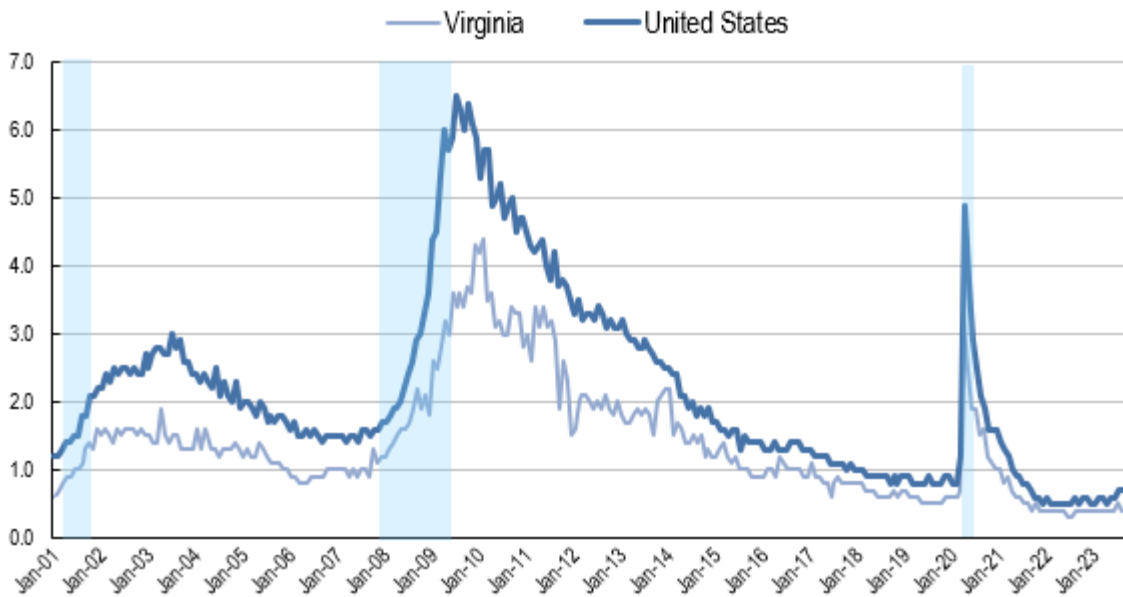
Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data. Shaded areas represent economic recessions.

Illinois (-45,000), North Carolina (-31,000), and Colorado (-21,000). A large increase in the total separations level occurred in Florida (+41,000). The Virginia **total separations rate** decreased from 3.8 to 3.5 percent. The U.S. total separations rate in August was little changed at 3.5 percent.

The largest decreases in total separations rates occurred in Alaska (-2.1 percentage points) and in Illinois, Iowa, and Nebraska (-0.8 point each). An estimated 100,000 workers quit jobs from Virginia employers in August. The **number of quits** decreased by 8,000 from August's revised figure of 108,000. That was a seven percent decrease over-the-year but an eighteen percent increase from five years earlier. Quits, a component of total separations, are voluntary separations initiated by the employee. They can be seen as a leading indicator of wage trends in that it includes workers who quit to move to another job. In September, the number of U.S. quits changed little at 3.7 million. The number of quits significantly increased in information (+24,000) but decreased in state and local government, excluding education (-15,000). The largest decreases in the quits level occurred in Ohio (-28,000) and Colorado (-22,000), as well as in Alabama and Utah (-10,000 each). The largest increases occurred in Florida (+42,000), New York (+20,000), and New Jersey (+15,000). Slightly higher than nationwide, the **quits rate** in the Commonwealth fell to 2.4 percent and remained at levels seen over the last two years. Over the month, the U.S. rate was 2.3 percent for the 3rd consecutive month. The largest decreases in quits rates occurred in Colorado (-0.7 percentage point) and in Iowa and Nebraska (-0.6 point each). Large increases occurred in Florida (+0.5 point) and in New Jersey (+0.4 point).

The Unemployed Per Job Opening Ratio, January 2001 to September 2023

In September 2023, there were 0.4 unemployed per job opening in the Commonwealth, compared to nationwide, with 0.7 unemployed per job opening. These ratios have been unchanged for several months. The gap has been much larger at times over the past twenty years.



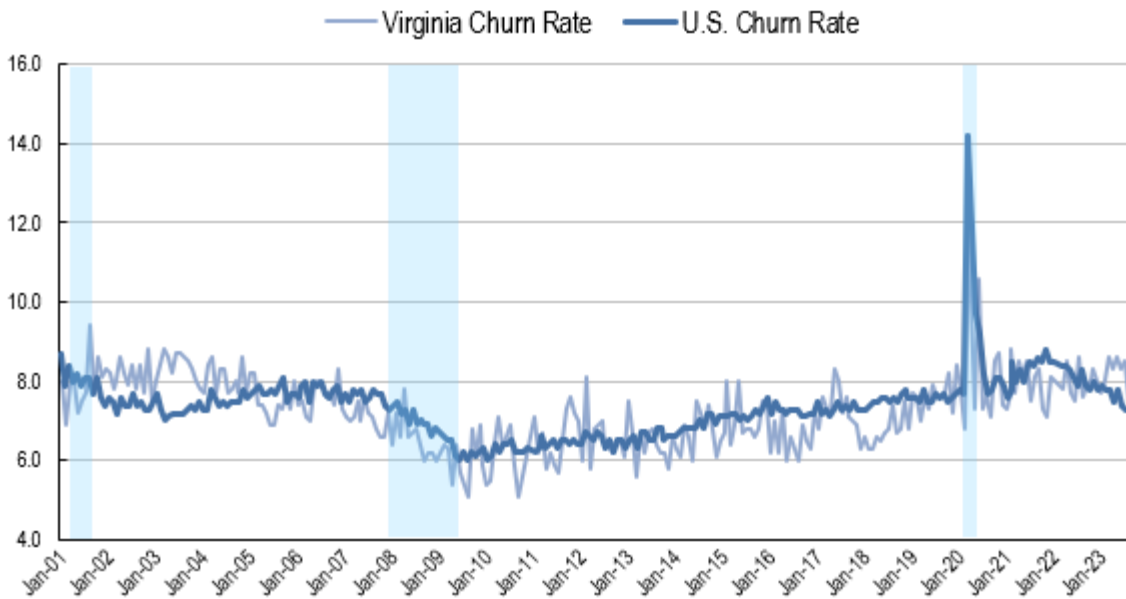
Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data. Shaded areas represent economic recessions.

The number of **layoffs and discharges** in Virginia was unchanged at 40,000 in September. This was an increase of twenty-one percent over the year, but still at low, pre-Pandemic levels. Layoffs and discharges are countercyclical, which means that layoffs typically increase during economic contractions and decrease during economic expansions. In September, the number of U.S. layoffs and discharges changed little at 1.5 million. The number of layoffs and discharges significantly decreased in state and local government education (-22,000). The largest decreases in the layoffs and discharges level occurred in Illinois (-53,000) and in Arizona and Wisconsin (-12,000 each). The **Virginia layoffs and discharges rate** was also unchanged at one percent, while the rate of layoffs and discharges nationwide was little changed at 1.0 percent. The largest decreases in layoffs and discharges rates occurred in Alaska (-1.6 percentage points), Illinois (-0.9 point), and Connecticut (-0.5 point).

In September 2023, there were four unemployed workers per ten job openings in the Commonwealth, within the 0.4 range that it has hovered around since 2021. That period marked the lowest rates since January 2001, when BLS began collecting the data. In Virginia, **the unemployed per job opening ratio** (sometimes called the ‘job seekers ratio’) peaked at 4.4 unemployed per job opening in February 2010 during the Great Recession. The number of unemployed workers per job opening stood at 3.2 in April 2020 during the height of pandemic employment impacts. Across the U.S., there was a ratio of unemployed people to job openings of 0.7 in September, unchanged over the month. The ratio of unemployed people per

The Churn Rate, January 2001 to September 2023

In September 2023, the churn rate slowed to 7.40 in the Commonwealth, about the same as the national rate. The rate of movement from job to job has trended downward in recent months in Virginia to about the pace nationwide.



Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data.
Shaded areas represent economic recessions.

job opening has been below 1.0 since July 2021. The number of unemployed people per job opening nationwide reached its highest level of 6.5 in July of 2009, at the height of the Great Recession.

The September 2023 **churn rate** (the sum of the hires rate and the total separations rate) slowed significantly to 7.4 from August's revised 7.5 rate in Virginia yet indicating still-elevated velocity of rotation into and out of jobs. Nationwide's churn rate was 7.2, which was little changed over the month but a 0.7-point deceleration over the year. An elevated churn rate indicates a labor market with a high hires rate, a high separations rate, or both. It can signify that workers are moving more frequently into and out of jobs in the labor market. Conversely, a low churn rate indicates a labor market with a low hires rate, a low separations rate, or both. Labor markets with the most churn may also have more seasonal employment patterns not fully captured by seasonal adjustment factors, which can lead to more frequent job-to-job movement.

Like nationwide, Virginia JOLTS data describing conditions on the last day of September showed little in the way of dramatic deviations from recent trends. Job markets remained strong with elevated levels of job openings, which continued to rebound from July when job openings fell to their lowest level since 2021. As has often been the case, job openings around the country were led by pandemic-impacted industries like accommodation and food services and arts, entertainment, and recreation. JOLTS data for Virginia showed that other positive signs were evident, including buoyant job seeker confidence, slowly improving hiring and retention trends, and low levels of layoffs.

Job Openings

Job openings include all positions that are open on the last business day of the reference month. A job is open only if it meets the following three conditions: (1) A specific position exists and there is work available for that position; the position can be full time or part time, and it can be permanent, short term, or seasonal; (2) the job could start within 30 days, whether or not the employer can find a suitable candidate during that time; and (3) the employer is actively recruiting workers from outside the establishment to fill the position. Excluded are positions open only to internal transfers, promotions or demotions, or recalls from layoffs.

Hires

Hires include all additions to the payroll during the entire reference month, including newly hired and rehired employees; full-time and part-time employees; permanent, short-term, and seasonal employees; employees who were recalled to a job at the location following a layoff (formal suspension from pay status) lasting more than 7 days; on-call or intermittent employees who returned to work after having been formally separated; workers who were hired and separated during the month; and transfers from other locations. Excluded are transfers or promotions within the reporting location, employees returning from a strike, and employees of temporary help agencies, employee leasing companies, outside contractors, or consultants.

Separations

Separations include all separations from the payroll during the entire reference month and are reported by type of separation: quits, layoffs and discharges, and other separations. Quits include employees who left voluntarily, except for retirements or transfers to other locations. Layoffs and discharges include involuntary separations initiated by the employer, including layoffs with no intent to rehire; layoffs (formal suspensions from pay status) lasting or expected to last more than 7 days; discharges resulting from mergers, downsizing, or closings; firings or other discharges for cause; terminations of permanent or short-term employees; and terminations of seasonal employees (whether or not they are expected to return the next season). Other separations include retirements, transfers to other locations, separations due to employee disability, and deaths. Excluded are transfers within the same location, employees on strike, and employees of temporary help agencies, employee leasing companies, outside contractors, or consultants.

*Excerpted from U.S. Bureau of Labor Statistics, Handbook of Methods, "Job Openings and Labor Turnover Survey: Concepts," <https://www.bls.gov/opub/hom/jlt/concepts.htm>.

The Department of Workforce Development and Advancement (DWDA) plans to release the October 2023 analysis of the BLS Job Openings and Labor Turnover Survey for Virginia on Tuesday, December 19, 2023. The data for all states and the U.S. will be available on the BLS website JOLTS page, at <https://www.bls.gov/jlt/>. BLS is scheduled to release the October JOLTS data for states on Friday, December 15, 2023.

Technical note: The Bureau of Labor Statistics (BLS) Job Openings and Labor Turnover Survey (JOLTS) produces monthly data on U.S. and regional job openings, hires, quits, layoffs and discharges, and other separations from a sample of approximately 21,000 establishments. As a supplement, BLS has begun publishing state estimates that provide monthly information that can be used to better understand the dynamic activity of businesses in state economies that leads to aggregate employment changes. For more information on the program's concepts and methodology, see "Job Openings and Labor Turnover Survey: *Handbook of Methods*" (Washington, DC: U.S. Bureau of Labor Statistics, July 13, 2020), <https://www.bls.gov/opub/hom/jlt/home.htm>. For more information on BLS' state JOLTS estimates, see https://www.bls.gov/jlt/jlt_statedata.htm. *Definitions of JOLTS terms**